



Global Hemp Group Announces Rights Offering

Vancouver, British Columbia – (July 31, 2020) -- **GLOBAL HEMP GROUP INC.** ("**GHG**" or the "**Company**") (CSE: GHG / OTC: GBHPF / FRANKFURT: GHG) is pleased to announce that it will be making a rights offering (the "**Rights Offering**") in which holders of record of the Company's common shares, as of the record date of August 4th 2020 (the "**Record Date**"), will receive rights to subscribe for units of the Company.

Full details of the Rights Offering are included in a Rights Offering circular, which will be filed today under GHG' profile on SEDAR at www.sedar.com. The circular and related materials will also be mailed to registered holders of Common Shares as of the Record Date.

Rights Offering Details

Each registered shareholder of the Company resident in Canada as of the close of business on the Record Date will receive one right (a "**Right**") for every three (3) common share held.

One Right entitles the shareholder to purchase one unit (a "Unit") at a price of \$0.02 per Unit (the "**Basic Subscription Privilege**"). The Rights will expire at 5:00 p.m. (Eastern Time) on September 4, 2020 (the "**Expiry Date**"). Holders of Rights who fully exercise their Rights under the Basic Subscription Privilege will also be entitled to subscribe, on a pro rata basis, for additional Units, if available, that were not subscribed for by other holders of Rights (the "**Additional Subscription Privilege**"), subject to certain limitations as set out in the Company's Rights offering circular (the "**Rights Offering Circular**").

Each Unit will consist of one (1) Common Share of the Company and one (1) full Share Purchase Warrant (the "**Warrant**"). Each whole Warrant will entitle the holder to purchase one additional Common Share at a price of \$0.05 for a period of thirty-six (36) months from its issuance. The Rights will be transferable and listed for trading on the Canadian Securities Exchange (the "**Exchange**"). The Warrants, when issued, are also expected to be listed on the Exchange, subject to GHG satisfying the distribution requirements of the Exchange.

In the event that the Company's common shares trade on the Canadian Securities Exchange (or such other exchange on which the common shares may be traded at such time) at a volume weighted average price of \$0.12 per share or more for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date of the Warrants by giving notice to the holders thereof and, in such case, the Warrants will expire on the 30th day after the date on which such notice is given to the holder by the Company.

The Rights will be listed and posted for trading on the Exchange under the symbol "GHG.RT" and will expire at 12:00 p.m. (Eastern Time) on the Expiry Date, after which time unexercised Rights will be void and of no value. The CUSIP number for the Rights is 37953Y112.

The Rights Offering is not subject to any minimum subscription level. If the Rights Offering is fully subscribed, the Company will issue up to 62,732,338 new common shares and Warrants to purchase up to an additional 62,732,338 common shares, for total gross proceeds of approximately \$1,254,646. If the Rights Offering is fully subscribed and all of the Warrants issued on closing of the Rights Offering are exercised, the additional proceeds to the Company will be \$3,136,617.

There are currently 188,197,016 common shares issued and outstanding. If all Rights are exercised, the Company's issued and outstanding shares will increase to 250,929,354 and if all Warrants covered by this Rights Offering are exercised, the issued and outstanding shares will be 313,661,692.

To the knowledge of the Company, no directors, senior officers and persons controlling over 10% of the Common Shares of the Company (collectively, the “**Insider Group**”), as the date hereof, will be participating in this Rights Offering or expressed their intention to participate in the Rights Offering.

A Notice of Rights Offering and a Rights certificate will be mailed to each registered shareholder of the Company resident in Canada as at the Record Date. Registered shareholders who wish to exercise their Rights must complete the Rights certificate, and deliver the certificate together with the applicable purchase funds, to the Subscription Agent, Odyssey Trust Company, before 5:00 p.m. (Eastern Time) on the Expiry Date. Shareholders who own their shares of the Company through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

The terms of the Rights Offering and the procedures for exercising Rights will be explained in the Rights Offering Circular. The Rights Offering Circular will be available under the Company's profile on the SEDAR website at www.sedar.com on July 31, 2020.

The Rights Offering will be made only in applicable jurisdictions in Canada, and is not, and under no circumstances is to be construed as an offering of any securities for sale in, or to a resident of any jurisdiction, other than Canada, or a solicitation therein or an offer to buy or sell securities.

However, certain holders of common shares of the Company in jurisdictions outside of Canada may be able to participate in the Rights Offering where they can establish that the transaction is exempt under applicable laws. If you are a holder of shares of the Company and reside outside of Canada, please review the Notice of Rights Offering and Rights Offering Circular to determine your eligibility and the process and timing requirements to receive and, or, exercise your Rights. The Company requests any ineligible holder interested in exercising their Rights to contact the Company at their earliest convenience.

There is no stand-by guarantor that will be participating in the Rights Offering. The Company intends to use the net proceeds raised from the Rights Offering for Business Expansion Opportunities and general working capital as further described in the Rights Offering Circular.

The above use of net proceeds reflects the current intention of the Company based on information currently available to it and on current circumstances, economic and otherwise. The actual use of the net proceeds of the Rights Offering may vary depending on operational and capital needs and the progress of the research and development programs from time to time. Accordingly, management of the Company will have the discretion in the application of the proceeds of the Rights Offering. Twilight Capital Inc. is acting as financial advisor to the Company for the Rights Offering.

No U.S. Offering or Registration

This news release does not constitute an offer to sell, or the solicitation of an offer to buy securities in any jurisdiction, including the United States, other than the provinces and territories of Canada. The securities offered under the Rights Offering will not be or have not been registered under the United States *Securities Act of 1933*, as amended (the "US Securities Act"), or the securities laws of any state of the United States. Such securities may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S of the US Securities Act) or person in the United States except in transaction exempt from or not subject to the registration requirements of the US Securities Act and applicable state securities laws.

Instagram



Follow the development of the Scio Oregon Hemp Project and the projects being developed through GHG's partnership with Qworx LLC on Instagram @hemp_global

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https://www.facebook.com/Global-Hemp-Group-103913678047458/?modal=admin_todo_tour

About Global Hemp Group Inc.

Global Hemp Group Inc. (CSE: GHG) (OTC: GBHPF) (FRANKFURT: GHG), is focused on a multi-phased

strategy to build a strong presence in the industrial hemp industry the United States. The Company is headquartered in Vancouver, British Columbia, with hemp cultivation operations in the state of Oregon. The first phase of this strategy is to develop hemp cultivation with the objective of extracting cannabinoids (CBD, CBG, CBN & CBC) and creating a near term revenue stream that will allow the Company to expand and develop successive phases of the strategy. The second phase of the plan will focus on the development of value-added industrial hemp products utilizing the processing of the whole hemp plant, as envisioned in the Company's Hemp Agro-Industrial Zone (HAIZ) strategy.

Cautionary Note Regarding Forward Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Global Hemp Group Inc., including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk, the legality of cannabis and hemp. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Except as required by law, Global Hemp Group Inc. disclaims any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For Further Information Contact Global Hemp Group

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Global Hemp Group Inc.

“Curt Huber”

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